

# *Local Government Reorganization in Canada Since 1975*

*by Andrew Sancton*



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by

**Andrew Sancton**

prepared for the

**Intergovernmental Committee on Urban and Regional Research**

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The Intergovernmental Committee on Urban and Regional Research is pleased to present this report on Local Government Reorganization in Canada since 1975 prepared by Andrew Sancton of the University of Western Ontario. The issue of structure of local government is one that is of great interest to the Committee and its members. The pressures brought about by current urban trends and by the spiralling costs of providing services to communities will lead to this field of study being among ICURR's regular research topics.

ANDREW SANCTON is the Director of the Local Government Program, Department of Political Science, University of Western Ontario. The Program comprises English Canada's only Master of Public Administration (MPA) course in local government, an annual six-week residential course for local-government managers leading to a Diploma in Public Administration, an annual four-day non-credit Course for Local Elected Officials called "Taking Charge," and a series of short monographs called Case Studies in Local Government.

Professor Sancton was educated at Bishop's University, Lennoxville, Quebec and Oxford University, England. His major academic publications are Governing the Island of Montreal: Language Differences and Metropolitan Politics (Berkeley: University of California Press, 1985) and City Politics in Canada (Toronto: University of Toronto Press, 1983), which he co-edited with Warren Magnusson. From 1982-86 he was a member of the federal Electoral Boundaries Commission for Ontario.

On behalf of ICURR, I would like to thank the author for his contribution.

Gilbert Héroux  
Executive Director  
Intergovernmental Committee  
on Urban and Regional Research  
April 1991



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## LOCAL GOVERNMENT REORGANIZATION IN CANADA SINCE 1975\*

In 1965 the Municipality of Metropolitan Toronto had existed for eleven years and the Corporation of Greater Winnipeg for five. Montreal's weaker form of two-tier metropolitan government was more than forty years old, but it had much less impact than the newer authorities in Toronto and Winnipeg. Outside these three cities, the organization of local government was still based on the assumption that large urban areas were to be incorporated as cities and that these cities need have little connection with the counties, towns, villages, and townships that surrounded them.

Ten years later, much had changed. The municipalities within Metro Toronto had been consolidated so that there were now six lower-tier units instead of twelve.<sup>1</sup> Many other major Ontario cities, such as Ottawa, Hamilton, Kitchener, St. Catharines, and Sudbury, now shared municipal authority with new regional authorities whose boundaries stretched far into the countryside.<sup>2</sup> All the municipalities within Greater Winnipeg had been merged to

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<sup>1</sup>Albert Rose, Governing Metropolitan Toronto: A Social and Political Analysis, 1953-1971 (Berkeley: University of California Press), ch. 7, p. 34.

<sup>2</sup>Stewart Fyfe, "Local Government Reform in Ontario," in R. Charles Bryfogle and Ralph Krueger, eds., Urban Problems, revised ed. (Toronto: Holt, Rinehart and Winston, 1975), pp. 352-66.



form one "Unicity."<sup>3</sup> Montreal and Quebec City were now part of two-tier "urban communities" and Hull was the centre of a "regional community."<sup>4</sup> British Columbia had introduced "regional districts" covering the entire province<sup>5</sup> and in New Brunswick the system of local government had been so drastically reformed that it was scarcely recognizable.<sup>6</sup>

Canada was not alone in attempting major structural change in this period. Britain introduced new two-tier local-government systems for England, Wales, and Scotland in the early 1970s;<sup>7</sup> American urban policy-makers introduced dozens of new federal programs which by-passed traditional municipal governments and which helped cause the creation of new councils of governments in most major metropolitan areas;<sup>8</sup> in France in 1969, General de

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<sup>3</sup>Meyer Brownstone and T.J. Plunkett, Metropolitan Winnipeg: Politics and Reform of Local Government (Berkeley: University of California Press, 1983).

<sup>4</sup>Louise Quesnel-Ouellet, "Canada: Quebec," in Donald C. Rowat, ed., International Handbook on Local Government Reorganization (Westport, Conn.: Greenwood Press, 1980), pp. 20-32.

<sup>5</sup>Paul Tennant and David Zirnhelt, "Metropolitan Government in Vancouver: The Strategy of Gentle Imposition," Canadian Public Administration 16 (1973), 124-38.

<sup>6</sup>Harley Louis d'Entremont, "A Comparative Analysis of the Policy Impacts of the Byrne and Graham Commissions," unpublished political science Ph.D. thesis, University of Western Ontario, 1985, ch. 4.

<sup>7</sup>Among many possible texts, see William Hampton, Local Government and Urban Politics (London: Longman, 1987), ch. 7.

<sup>8</sup>John J. Harrigan, Political Change in the Metropolis Third ed. (Boston: Little Brown, 1985), pp. 353-8.

Gaulle resigned the presidency after losing a referendum on regional reform.<sup>9</sup>

The first object of this paper is to assess the case for major local-government reorganization as it was made prior to and during the reforms of the 1960s and 70s. After noting the impact of the rise of political neo-conservatism, the main body of the paper describes five different kinds of reforms that have been carried out in Canadian jurisdictions since 1975. The final section searches for trends and patterns in these recent changes and makes suggestions about future priorities.

#### The Case For Local Government Reorganization

Policy-makers in western democracies based their dramatic assault on traditional structures of municipal government on three main grounds. First, they argued that, especially in fast-growing areas, a regional political authority was needed to plan future development around existing population centres. The main implication of this belief was that, contrary to previous practice, city and countryside would now have to be joined, for planning functions at least.

Second, they believed that there were economies of scale to be realized by moving services from lower-tier municipalities to the regional or metropolitan level as well as by merging lower-tier

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<sup>9</sup>For an account of subsequent developments, see Michel Fromont, "The New Division of Responsibilities between State, Regions, and Departments in France," International Review of Administrative Science 53 (1987), 507-16.

municipalities into either the regional or metropolitan level or into larger units so that even the most local of services could be delivered by these units. Associated with this belief was the argument that more highly trained administrators were needed at the municipal level and that their inevitably hefty salaries could only be paid for by relatively large units.

Third, many policy-makers in this field were convinced that larger municipal units would increase equity as measured both by relative tax burdens and levels of service. Small municipalities which benefited from abnormally high concentrations of revenue-producing industrial and commercial property would now have to share their good fortune. Those which might have been unable to afford such items as sophisticated sewage treatment facilities or good public libraries would find their service levels upgraded, probably to the standards in place in the best-served community with which they had been merged.

Unfortunately, each of these arguments contained inherent flaws which caused serious problems for those who made them.<sup>10</sup> Merging city and countryside caused significant problems for both sides. If the central city new region were relatively strong, as is the case in the Regional Municipality of Hamilton-Wentworth, outlying areas felt that effective regional government would inevitably serve only that city's interest. If suburban areas

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<sup>10</sup>L.J. Sharpe, "The Failure of Local Government Modernization in Britain: A Critique of Functionalism," in Lionel D. Feldman, ed., Politics and Government of Urban Canada, Fourth ed. (Toronto: Methuen, 1981), pp. 321-57.

seemed to be politically stronger, as was the perception in Winnipeg's Unicity, then the central city felt its concerns always took second place to suburban shopping centres or new residential subdivisions. If the regional boundaries extend far out into the countryside, as with the Regional Municipality of Ottawa-Carleton, the disparate concerns become all too obvious. If they are tightly drawn around largely built-up areas, which is now the case in Metropolitan Toronto, genuine regional planning becomes impossible.

This is not to suggest that there is any clear and obvious answer to the problem of boundaries. The point is simply that no structural arrangement is likely to mitigate the inherently different interests of city, suburb, and countryside; hence democratic regional planning is likely to be exceptionally difficult regardless of the structural arrangements. There are obvious problems with the traditional municipal system in Canada in which city and countryside are kept separate. However, this system has some inherent flexibility in that both sides recognize the inevitability of occasional annexations of rural land to the city for purposes of new urban development.

In Ontario, annexations no longer take place in areas covered by two-tier regional government. Because the top tier provides the major infrastructure, all municipalities are seen as having the potential to support at least some significant urban development. But what about the boundaries of the regions themselves? Since the first regional government in Ontario was introduced, not a single one has experienced any external boundary change. Recent review

commissions for individual regional governments have been specifically mandated not to contemplate any boundary changes, either in relation to the constituent municipalities or to the region itself. Meanwhile, in the Golden Horseshoe area around Toronto, public transit issues now completely surpass the existing regional boundaries.<sup>11</sup> This does not mean that all the regional governments in the area should be merged into one. It does mean that establishing regional government is no more a final answer to the boundary problem than is a single annexation to a particular city.

Arguments about efficiency and equity turn out to be closely connected to each other. What little evidence there is about the relative costs of two-tier regional government in relation to the traditional system, seems to suggest that there is not much difference.<sup>12</sup> This finding does not necessarily mean, however, that there are no economies of scale. It is undoubtedly the case that some areas covered by regional governments have seen their levels of service rise to match the levels in nearby (possibly more affluent) areas. From this perspective, efficiency gains have led not to decreased costs but to increased levels of service to some

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<sup>11</sup>Ontario, Ministry of Transportation, Crossing the Boundaries - Coordinating Transit in the Greater Toronto Area: Report of the Transit Advisory Group to the Minister of Transportation for Ontario (Toronto, 1987).

<sup>12</sup>Ontario, Ministry of Municipal Affairs, Niagara Region Review Commission, Report and Recommendations (Toronto, Queen's Printer for Ontario, 1989), ch. 5.

areas,<sup>13</sup> resulting in a greater degree of overall equity.

Two problems remain, however. Perhaps people in areas with upgraded services resulting from regional government had no particular desire for such improvements. If they were given a choice about how to use resources channelled to them from elsewhere, perhaps they would have chosen lower tax rates rather than more policemen or municipally subsidized day-care spaces. When regional government was imposed, they were given no choice. In the case of such services as sewage treatment, however, there is an argument to be made that, from the perspective of collective welfare, small groups should not be allowed to make choices which result in negative consequences for those living elsewhere.

Another problem with the economies-of-scale argument is that alleged higher levels of service for the region as a whole do not necessarily translate into higher levels of satisfaction with such services in each and every part of the region. Closing a local village hall and establishing a much larger town or regional civic centre many miles away is not a great gain for the village, notwithstanding all the sophisticated features of such new facilities. Similar arguments can be made about any facility or service which is consolidated to serve a larger area. While a wider

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<sup>13</sup>For a similar conclusion relating to the consolidation of paid fire departments in New York state, see William D. Duncombe and John Yinger, "Returns to Scale in Public Production," Occasional Paper No. 138, Metropolitan Studies Program, Maxwell School of Citizenship and Public Affairs, Syracuse University, 1990.

range of services provided by more qualified professionals theoretically becomes available to everybody in the designated catchment area, whether such services are genuinely available to less mobile citizens not physically close to where the services are provided is a quite different issue.<sup>14</sup>

Perhaps the most severe problem with two-tiered regional governments is political. Canadian local government is already badly fragmented by the existence of special-purpose bodies such as school boards, police commissions, and transit authorities. Two-tiered regional government fragments it even more by splitting already weak municipal governments into two distinct levels. For reasons outlined by Paul Peterson,<sup>15</sup> most citizens have enough difficulty becoming involved in the affairs of a single municipal tier. Adding another makes it doubly difficult.

Most Canadian two-tier systems have been structured so that all members of the top-tier council have also been members the bottom-tier councils. The advantage of this system has been that the top-tier has had to be extremely responsive to the expressed desires of the politicians who run their constituent units. The potential for jurisdictional squabbles between the two tiers is reduced, at the political if not the bureaucratic level. The main disadvantage has been that politicians and voters have focused most of their attention on the bottom tier, leaving the regional

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<sup>14</sup>Sharpe, "Failure of Local Government Modernization," p. 384.

<sup>15</sup>Paul Peterson, City Limits (Chicago: University of Chicago Press, 1981), pp. 109-30.

bureaucrats and, in some cases, the indirectly elected chair very much in control.

### The Neo-Conservative Response

By the mid-1970s, in Canada, most of these problems with conventional municipal reorganization had become painfully evident to provincial politicians, if not to bureaucrats. The pace of change had slowed to a crawl as politicians became increasingly nervous about imposing structural change in circumstances where the political risks seemed high and the returns negligible at best. Political developments in the United States and Britain in the 1980s caused governments in Canada to re-examine their tendencies to respond to societal problems by expanding the scope of the public sector.

President Reagan dramatically reduced federal funding for American cities, at the same time removing much of what was left of federal controls over how municipalities were to carry out their business. Prime Minister Thatcher's conservative agenda was somewhat different. She wanted to assert central-government control over the alleged excess spending of local left-wing councils. One way she did this was to have Parliament simply abolish the top-tier local authorities in London and three other major metropolitan centres.<sup>16</sup> Even in France - where socialists

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<sup>16</sup>For a U.S.-British comparison, see Ted Robert Gurr and Desmond S. King, The State and the City (Chicago: University of Chicago Press, 1987), ch. 4 and 5.



were in power in the 1980s - traditional local governments held their own in the face of radical proposals to implement new forms of decentralized regional authorities.<sup>17</sup>

The most dramatic Canadian manifestation of the neo-conservative approach to local government occurred in the early 1980s in British Columbia<sup>18</sup> with the passage of provincial legislation dramatically curtailing local authority to tax and spend. Regional districts were especially affected because their authority over land-use planning was eliminated. No where else in Canada since 1975 did a provincial government attempt to reform local government by drastically curtailing its functions. The more common policy was to attempt cautiously to adapt local-government structures to changing circumstances by making incremental changes in the existing system.

There have been five main mechanisms through which these incremental changes have been brought about: 1) annexation; 2) strengthening existing county systems, in part by absorbing previously independent cities within county boundaries; 3) tinkering with reorganized structures established in the 1960s and early 70s; 4) incorporating new municipalities; and 5) creating new special-purpose bodies covering the territory of more than one municipality. Each will be examined in turn.

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<sup>17</sup>I am indebted to my colleague, Michael Keating, for pointing this out.

<sup>18</sup>Warren Magnusson, "Local Autonomy and Community Politics" in Warren Magnusson *et al*, eds. After Bennett; A New Politics for British Columbia (Vancouver, New Star, 1986), pp. 227-42.

### Centre-City Annexations

Legally speaking, there is a difference between "annexation" and "amalgamation." The former involves a particular municipality adding previously unincorporated adjoining territory to its own or adding a portion of the territory of an adjoining municipality. The latter means the joining of two or more complete municipalities. Usually, however, when a large, centre-city municipality "amalgamates" with a smaller neighbour, the practical effects are the same as annexation. In this discussion "annexation" is the process whereby centre-city municipalities expand their territories.

Annexation has been the traditional mechanism by which municipal structures have adapted to the outward physical growth of the city. All Canadian centre-city municipalities have at one time or another dramatically expanded their territorial jurisdiction through annexation. However, because annexation procedures in most jurisdictions have become increasingly costly, cumbersome, and controversial, provincial governments have generally sought more permanent structural solutions, such as two-tier metropolitan or regional government.

Alberta is an exception. Two-tier governments have never been a serious option for Edmonton and Calgary and in other parts of the province population levels could not support them. In the two major cities annexation has remained the preferred device for adapting municipal organization to urban growth. While annexation

has occasionally been politically controversial in Calgary,<sup>19</sup> it has occurred sufficiently regularly and extensively that 95% of the 671,000 people living in the census metropolitan area live within the city limits.<sup>20</sup>

Annexation in Edmonton has been much more difficult. The most significant event since 1975 concerning municipal organization in Alberta has been the Edmonton annexation battle of 1979-81, the end result of which was 86,000 new acres for the city and a total consultants' bill of over \$7 million for the various municipalities involved.<sup>21</sup> Most of the consultants' efforts were directed toward the hearings held by the quasi-judicial Local Authorities Board (LAB). In the end, however, the provincial cabinet opted for an obvious compromise position that bore little resemblance to the LAB recommendation. Since the original annexation application was based on the assumption of continued rapid growth in Edmonton's economy and since its resolution immediately preceded its dramatic downturn, the timing, if not the substance, of the final policy decision was less than a great success.

In Ontario, annexation emerged again as a significant issue in the mid-1970s, after it became clear that regional government would not be introduced throughout the province. The ugliest

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<sup>19</sup>Jack Masson, Alberta's Local Governments and Their Politics (Edmonton: Pica Pica, 1985), pp. 67-8.

<sup>20</sup>Canada, Statistics Canada, 1986 Census of Canada (Ottawa: Minister of Supply and Services, 1987). All population figures in this paper are from this source.

<sup>21</sup>Masson, Alberta's Local Governments, p. 67.

annexation squabble in this period took place between Barrie and its neighbours in Simcoe county. Fought out before both the Ontario Municipal Board and the provincial supreme court, the whole process cost millions of dollars and took years to resolve. An alternative mechanism for resolving boundary disputes was developed by the Ministry of Municipal Affairs (then included in Intergovernmental Affairs) through its Brantford-Brant Local Government Pilot Project.<sup>22</sup> The object here was to avoid quasi-judicial and judicial hearings by having local politicians from the affected municipalities negotiate directly with each other under ministry supervision. The project seemed to work and it formed the basis for the Municipal Boundary Negotiation Act of 1981. If the negotiation procedures called for under this Act fail to produce political agreement, the Minister of Municipal Affairs still has the option of referring outstanding issues to the Ontario Municipal Board. A legislated solution is, of course, always a possibility under any circumstances.

As of March, 1990 about 140 annexation disputes in Ontario had been resolved through the procedures provided for in the Act. Another 110 were outstanding.<sup>23</sup> Most of these disputes have involved, towns, villages and townships; they have not had a significant impact on Ontario's urban development. The most

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<sup>22</sup>Ontario, Ministry of Intergovernmental Affairs, Brantford-Brant Local Government Pilot Project, Report and Recommendation for Agreement, both documents dated April 2, 1980.

<sup>23</sup>The London Free Press, March 17, 1990.

important annexation dispute to have been resolved in recent years is that between the City of Sarnia and adjoining municipalities in Lambton county.<sup>24</sup> In this case the normal boundary negotiations called for in the Act did not produce agreement. The settlement came outside the Act's framework soon after new local elected officials took office both in Sarnia and in the county. While the city successfully absorbed the neighbouring Town of Clearwater (formerly Sarnia Township), it also agreed to become part of a restructured Lambton county. County restructuring in Ontario is discussed in the next section.

The greatest challenge yet to face those administering the Municipal Boundary Negotiations Act is the recent proposal from the City of London (Canada's fourth largest single-tier municipality, behind Calgary, Winnipeg, and Edmonton) to annex 23,000 acres from adjoining municipalities in Middlesex county.<sup>25</sup>

#### Incorporating Cities into Counties

Ontario and Quebec are the only two provinces whose traditional systems of local government in rural areas have been two-tiered, with the upper-tier units being called counties. Even though many of Ontario's regional governments maintained old county boundaries, they are different from counties in three central

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<sup>24</sup>Byron J. Montgomery, Annexation and Restructuring in Sarnia-Lambton: A Model for Ontario County Government? Local Government Case Studies #4 (London, Ontario: University of Western Ontario Department of Political Science, 1991).

<sup>25</sup>City of London, Ontario, Office of the City Administrator, Proposal for Boundary Adjustments, November 18, 1988.

respects: 1) cities are included within their jurisdiction; 2) their lower-tier units have been consolidated; and 3) they have more functional responsibilities. From the late 1970s to the late 1980s, the remaining counties in Ontario, generally in areas of the province less subject to intense development pressures, were more or less left alone. Meanwhile, in Quebec, where counties had not been much affected by the establishment in 1969 of the two-tier authorities in Montreal, Quebec City, and Hull, the provincial government had more pressing reasons for turning its attention to county reform.

Quebec's 71 traditional counties were converted to 95 "municipalités régionales de comté" or MRCs, as a result of the Loi sur l'aménagement et l'urbanisme approved by the National Assembly in 1979. The law itself specified neither the boundaries of the MRCs nor the exact composition of their governing councils. These arrangements were worked out locally, often with great difficulty and under threat of withdrawal of provincial funds, through tripartite committees comprising representatives from the old counties, the local municipalities, and the Ministry of Municipal Affairs. The law did specify that cities (which were politically separate from their surrounding counties) had to become part of the MRC system; that each MRC had to adopt a regional land-use plan; and that MRCs were to take over the functions of the old counties, at least for the mainly rural areas in which counties had

been operating.<sup>26</sup>

Not surprisingly, the most difficult issue in establishing the MRCs concerned how municipalities were to be represented on the MRC councils. The most important provincial decision concerning representation was that the councils would generally comprise only the mayors of each of the participating municipalities. The message was clear: a new source of elected political authority was not being established. The MRCs were to represent existing municipalities acting together - nothing more. This initial decision concerning the MRCs is unlikely to be changed in the foreseeable future.<sup>27</sup>

Given the widely varying populations of the MRC constituent units, reaching a local settlement on voting rules was extremely difficult. Louise Quesnel has analyzed the end results of the settlement as follows:

48% of the MRCs are administered by a council where each mayor has only one vote (equality of representation) and 50% of the MRCs have a procedure by which each representative has a number of votes proportional to the population of his or her municipality....Finally, in only one MRC, a double majority is required for a project to be accepted (calculated in terms of the number of those voting and on the weighted vote). The equality of representation model applies particularly in the small MRCs, 82% of the MRCs which follow the principle of "one mayor/one vote"...[have] less than 40,000 inhabitants....

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<sup>26</sup>Louise Quesnel, "Political Control Over Planning in Quebec," International Journal of Urban and Regional Research 14 (1990), 25-48. See also, Quebec, Ministère des affaires municipales, L'inspection municipale sous tous les aspects, Manuel de formation, janvier 1989, pp. 2:15-9.

<sup>27</sup>Union des Municipalités du Québec, Rapport de la Commission d'étude sur les municipalités du Québec (1986), p. 246.

The delicate question of the balance between city and rural representatives is also emphasized by the granting of a right of veto, found in 38% of MRCs. This right of veto may take one of three forms and, thus, may have several meanings depending on whether it only protects the core city (a right of veto which only the representative of the city has) or the city, the parishes and villages (a right of veto...[for each type of municipality]) or, thirdly, effects a territorial balance (a right of veto for each territorial point).<sup>28</sup>

To make things more complicated, it must be remembered that when the MRCs are performing the functions of the old county councils, representatives from cities are excluded altogether and the remaining mayors have one vote each, just as they did under the county system. Further complications result from the existence of provincial legislation specifying exactly what sorts of special majorities are required for MRCs to change their voting rules, to accept delegations of provincial authority, or to take over municipal functions from member municipalities.<sup>29</sup>

Linked to the problem of representation is the issue of finance. As long as MRCs were only involved in regional planning, financial concerns were limited, especially since the province was originally paying close to half of new MRC costs. However, current provincial policy is to withdraw completely from MRC financing in 1992. Net costs of MRC functions are then to be borne entirely by MRC municipalities in proportion to their share of the area's taxable assessment. Cities with relatively strong assessment bases

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<sup>28</sup>Quesnel, "Political Control," p. 33.

<sup>29</sup>Jean-Maurice Latulipe, "Des modifications qui concernent les MRC," Municipalité, mars-avril 1988, pp. 29-31.



are concerned about being forced to finance new MRC services from which they might receive only limited benefits.<sup>30</sup> If local politicians in such cities had once accepted under-representation on the MRC council, they are now more likely to object.

Ontario currently has 25 traditional county governments, excluding the restructured counties of Oxford and Lambton. Under the terms of the Sarnia-Lambton Act, the City of Sarnia (which now includes the Town of Clearwater) joined Lambton County effective January 1, 1991. Outside Sarnia-Clearwater, various adjustments are being made to municipal boundaries, but there are to be no outright amalgamations. The city has 58% of the county's total population of 120,000, but only 15 of 37 votes on council. The mayor and four other Sarnia councillors are to have three votes each. Each of Lambton's other municipalities will have only one council member, but three of them will have two votes.<sup>31</sup>

Arrangements for representation in Sarnia-Lambton could turn out to be problematic. The restructured Lambton county is the first new top-tier municipal authority to be created by direct legislation in Canada since the coming into force of the Canadian Charter of Rights and Freedoms. The Supreme Court of Canada has ruled that the Charter applies to municipalities and the British Columbia Court of Appeal ruled in 1989 that a recent redistribution of the British Columbia provincial legislature, because it

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<sup>30</sup>Quesnel, "Political Control," pp. 34-5.

<sup>31</sup>Montgomery, Restructuring in Sarnia-Lambton, p. 71.

established electoral districts of widely varying populations, violated the rights of British Columbians residing in the populous districts to "the equal protection and equal benefit of the law" and hence was unconstitutional. The British Columbia decision has not been appealed.<sup>32</sup>

In the United States in the 1960s, judicial support for representation-by-population was quickly extended from federal and state levels to the local.<sup>33</sup> Under American constitutional interpretation, the arrangements for political representation in Sarnia-Lambton (and in a number of other Canadian top-tier municipal governments whose existence predates the Charter) would not be acceptable. Sooner or later this issue is bound to be addressed in Canada as well. It appears, however, that the approach of the country's ministries of municipal affairs is to assume that no problem exists until one of them ends up in court.

Notwithstanding this and other potential difficulties, municipal officials in Ontario hope that the Sarnia-Lambton settlement will be the first of many reforms in Ontario county government. Since 1987 there have been two successive committee

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<sup>32</sup>The case is Re Dixon and the Attorney General of British Columbia. See Norman J. Ruff, "The Cat and Mouse Politics of Redistribution: Toward Fair and Effective Representation in British Columbia," paper presented at the annual meeting of the Canadian Political Science Association, Université Laval, Sainte-Foy, Quebec, 1989.

<sup>33</sup>"One-Man, One Vote" Applies to Local Government, excerpt from United States Supreme Court decision in Avery v. Midland County (1968) prepared by Robert G. McCloskey for Edward C. Banfield, ed., Urban government: A Reader in Administration and Politics, revised ed. (New York: The Free Press, 1969), pp. 111-22.

reports calling for extensive changes.<sup>34</sup> The most difficult issue - as in Quebec and Sarnia-Lambton - is how cities can be integrated into county structures. The second report stated such integration is desirable but not essential, especially in cases where such an approach "would cause more harm than good."<sup>35</sup> Since the committee did not want any municipality to have a majority on a restructured county council and since it generally supported the principle of representation by population, such cases would likely exist where the population of the city is considerably more than that of the county. An example is in London and Middlesex where the city population is 269,000 and that of the county is only 63,000.

Another difficult issue is lower-tier consolidation. Those wanting stronger counties generally favour smaller councils for the upper tier and more highly professional staff for both levels. Hence they generally wish to dispense with the smallest units of rural local government. The report on County Government in Ontario (January 1989) recommended that "In principle, local municipal corporations should be consolidated to have a minimum population of 4,000."<sup>36</sup> After a storm of protest from the smaller municipalities, the Minister of Municipal Affairs announced early

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<sup>34</sup>Ontario, Ministry of Municipal Affairs, Advisory Committee on County Government, Patterns for the Future: Report and Recommendations (November 1987) and Ontario, Ministry of Municipal Affairs, Consultation Committee to the Minister, County Government in Ontario (January 1989).

<sup>35</sup>Ontario, Consultation Committee, County Government, p. 34.

<sup>36</sup>Ibid., p. 22.

in 1990 that he would not adopt a minimum figure: "...4,000 in many instances would be too small to encompass a natural service area or provide an adequate financial base for the services demanded, just as it would be unnecessarily large or inappropriate in several others."<sup>37</sup>

In settling the Sarnia-Lambton dispute, the province did not insist on lower-tier consolidation. The new Lambton county will comprise twenty municipalities, fourteen of which will have populations below 4,000. Not forcing consolidation was perhaps a price the province was willing to pay to reach local consensus. Whatever else it does, the settlement at least demonstrates the government's willingness to be flexible and should reassure small municipalities in other areas that county restructuring does not automatically mean consolidation.

In south Simcoe county, a faster growing part of the province, the government has taken a quite different approach. During 1990, legislation was introduced to consolidate eight lower-tier municipalities into three. The minister argued that development pressures in south Simcoe were too acute to wait for a study of the entire county.<sup>38</sup> Simcoe is one of at least ten counties which have taken steps to begin the process of examining county

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<sup>37</sup>Ontario, Ministry of Municipal Affairs, Toward an Ideal County (January 1990), p. 2.

<sup>38</sup>Ontario, Ministry of Municipal Affairs, "South Simcoe Municipalities to be Amalgamated," News Release, January 11, 1990.

restructuring.<sup>39</sup>

There are five significant differences between the emergence of MRCs in Quebec and county restructuring in Ontario. First, Ontario already has two-tier regional government in most areas of the province where development pressures are strong. Consequently, from a land-use planning perspective, the need for MRCs was relatively much greater in Quebec than in most parts of Ontario. Second, the MRCs in Quebec all owe their existence to a single law outlining the broadest of institutional frameworks. In Ontario, it appears that each restructured county, like each regional government, will have its own special law, to be enacted whenever the process of local consultation is complete. Third, MRCs have different memberships, depending whether they deal with traditional county functions. So far, there has been no indication this option will be available in Ontario. Fourth, negotiations about the establishment of MRCs led to boundaries quite different from the old counties; in Ontario, existing county boundaries are assumed to remain in place, just as they did with most regional governments. Fifth, Ontario is contemplating lower-tier consolidations and Quebec did not.

The main pattern in these differences is that Ontario seems more committed to maintaining and promoting a genuine two-tier system of municipal government. The aim in Ontario is to strengthen remaining counties such that they become almost as

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<sup>39</sup>Ontario, Ideal County, p. 4.

strong as regional governments elsewhere in the province. In Quebec, the political commitment is to existing cities, towns, villages and parishes. MRCs are designed as mechanisms through which both the province and the existing municipalities can better perform their assigned functions. MRCs appear potentially more flexible and adaptable than restructured counties. They will certainly spend less money, perform fewer functions, and be staffed by fewer people. In short, MRCs seem to have more in common with regional districts in British Columbia than they do with regional governments and restructured counties in Ontario.

#### Tinkering With Reformed Structures

In 1989 British Columbia overhauled its legislation concerning the province's 29 regional districts.<sup>40</sup> We have already noted that in 1983 regional districts were stripped of their land-use planning function. The 1989 legislation contained no such dramatic changes but it did for the first time systematically list the local services that potentially fall within regional-district jurisdiction. Like MRCs in Quebec, each regional district is established by letters patent issued under the authority of the general act; there is not a separate law for each district. Under the 1989 reforms, the letters patent no longer outline the district's approved functions. These are now to be worked out by

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<sup>40</sup>British Columbia, Ministry of Municipal Affairs, Recreation and Culture, Regional District Legislation: Background and Highlights (July 1989).

the district itself in conformity with the general legislation. Like the MRCs, each regional district performs different functions in different parts of its territory, although a regional district has the added flexibility of being able in certain circumstances to extend a particular service beyond its defined territory. Unlike MRCs, regional districts themselves provide certain municipal services in unincorporated areas. Since such areas comprise the greater part of the province's territory, this is a central element in the entire scheme. Boards of Directors of regional districts comprise not only representatives of the various incorporated municipalities but also members elected directly from the relevant unincorporated area.<sup>41</sup>

Significant changes were also made in 1989 to the City of Winnipeg Act, one of Canada's most innovative municipal laws. However, most of these changes related to the internal political structure of the city government, e.g. enhanced powers for the mayor in naming members of the executive committee and the establishment of a Speaker of Council to replace the mayor as the presiding officer.<sup>42</sup> In relation to municipal boundaries and function, there were no new developments, nor were there changes of any substance to sections of the Act relating to Community

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<sup>41</sup>Robert L. Bish, Local Government in British Columbia (Richmond, B.C.: Union of British Columbia Municipalities, 1987), ch. 4.

<sup>42</sup>City of Winnipeg, Office of the Chief Commissioner, "Re. Bill No. 32 - Amendments to the City of Winnipeg Act," File No. C/GL 5.1, dated July 24, 1989.

Committees and Residents' Advisory Groups, the seemingly innovative mechanisms introduced in 1971 to provide for increased citizen participation in city government and to compensate suburban areas for the loss of their separate suburban municipal councils.

Quebec's major organizational innovations prior to 1975 were the creation of the two-tier urban communities in Montreal and Quebec City and the regional community in the Outaouais.<sup>43</sup> The latter two structures experienced substantial lower-tier consolidation in the late 1970s, from 32 to eight in Quebec City and 26 to thirteen in the Outaouais. The only change in the make-up of the Communauté urbaine de Montréal (CUM) came in 1982 when the City of Montreal annexed the suburban municipality of Pointe-aux-Trembles, thereby reducing the number of member municipalities to 29.<sup>44</sup>

Although all three communities have had difficulties at one time or another, the only one whose future is seriously in question is the Outaouais. The Parizeau committee, which studied Quebec's municipal system on behalf of the Union des Municipalités du Québec, recommended that the more rural municipalities be split off and attached to nearby MRCs while the cities of Gatineau, Hull, and

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<sup>43</sup>For the 1970 boundaries, see Quebec Annuaire du Québec (Québec, l'Editeur officiel du Québec, 1971), pp. 27 and 31. For information on the restructured urban community in Quebec City, see Municipalité '79 (janvier 1979). For the regional community in the Outaouais, see Municipalité '77 (juin 1977).

<sup>44</sup>Andrew Sancton, Governing the Island of Montreal: Language Differences and Metropolitan Politics (Berkeley: University of California Press, 1985), pp. 146-7.



Aylmer form a new urban community whose top tier would have more functional authority than the current structure.<sup>45</sup> In March 1990, the Quebec government issued a discussion paper on municipal structures for the Outaouais which outlined a number of options for the future, including that proposed by the Parizeau committee.<sup>46</sup> If the rural municipalities are eventually split off, it will be an unprecedented event in the history of reorganized two-tier municipal government in Quebec and Ontario.

The most important changes since 1975 in the structure of the CUM were enacted in 1982. Suburban municipalities were effectively given parity on CUM institutions even though their residents in 1981 comprised only 44% of the total CUM population of 1,760,000. Special-purpose bodies dealing with the police and public transit saw their authority dramatically reduced. The police force is now effectively under the political control of the politicians serving on the CUM executive committee. Finally, new arrangements were put in place to choose the apparent political leader of the CUM, the chair of the executive committee. Prior to 1982, the CUM chair had to be an elected member of the CUM council. Under the new system, the chair must be a CUM council member in order to be elected, but must resign his or her local municipal position on taking office

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<sup>45</sup>Union des Muncipalités du Québec, Rapport, pp. 254-5.

<sup>46</sup>Québec, Ministère des affaires municipales, Les structures municipales de l'Outaouais: Des hypotheses pour l'avenir (mars 1990).

for a four-year term.<sup>47</sup>

In December 1985, Michel Hamelin, one of Jean Drapeau's Civic Party councillors and a member of the City of Montreal executive committee, was elected to a four-year term as chair of the CUM executive committee, succeeding Pierre DesMarais II who had resigned in mid-term to return to private business. In accordance with the new law, Hamelin resigned from the Montreal city council. Less than one year later almost all the incumbent Civic Party councillors were defeated in Montreal's municipal election. Hamelin remained in his CUM position, apparently working quite smoothly with the new city administration controlled by the Montreal Citizens Movement.<sup>48</sup> He was re-elected chair of the CUM executive committee four years later. This experience indicates that few in Montreal consider the CUM an important political institution. Its leadership can be entrusted to someone with no political base and with no particular political agenda.

Just as Ontario seems to want to make restructured counties a more distinct level of government than MRCs are in Quebec, so it seems to want to do more than Quebec to bolster the political position of its top-tier metropolitan and regional governments. The most dramatic illustration of this point is the passage of Ontario legislation calling for the direct election of top-tier elected officials in Metropolitan Toronto, Hamilton-Wentworth, and

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<sup>47</sup>Sancton, Island of Montreal, pp. 143-6.

<sup>48</sup>Andrew Sancton, "Montreal's Metropolitan Government: La Communauté urbaine," Quebec Studies 6 (1988), 17.

Ottawa-Carleton.

In Toronto, provision was made prior to the 1988 municipal elections for the direct election of 28 councillors who would serve only at the metropolitan level.<sup>49</sup> Single-member metropolitan wards encompassed groups of newly established lower-tier wards in each of the six constituent municipalities (four in York and East York, two in Toronto and North York). Partly because there would no longer be a place for controllers on the metropolitan council, the boards of control in North York, Scarborough, Etobicoke, and York were abolished (leaving only one such board in the country: London). The six mayors also sit on the metropolitan council, but they are ineligible to serve on the executive committee or to be elected by their colleagues as chair.<sup>50</sup>

In Hamilton-Wentworth, the regional chair was directly elected by municipal voters for the first time in 1988. The main object was to help residents identify politically with the regional municipality in a way that had not previously been possible, especially since Hamilton-Wentworth's council is noted for being seriously split between representatives of the City of Hamilton and

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<sup>49</sup>Ontario, Statutes, 1988, ch. 19.

<sup>50</sup>For a discussion of the various alternative schemes that were under consideration, see Ontario, Ministry of Municipal Affairs, Task Force on Representation and Accountability in Metropolitan Toronto, Analysis and Options for the Government of Metropolitan Toronto (November 1986).

those of the outlying municipalities.<sup>51</sup> A similar scheme has been announced for Ottawa-Carleton, to be implemented in time for the autumn, 1991 municipal elections.<sup>52</sup>

In the last two years, the Ontario government has received reports from commissions studying existing regional governments: in Niagara and Haldimand-Norfolk. In both cases the commissioners concluded their analyses by pointing out the long-term virtues of moving toward a one-tier system. In Niagara the suggestion was simply that the lower-tier municipalities could be abolished and the region could take over their functions.<sup>53</sup> In Haldimand-Norfolk the idea was that the region could be split into two parts corresponding to the territories of the two old counties of Haldimand and Norfolk and that each could become a new one-tier authority.<sup>54</sup> Neither commissioner suggested these ideas should be acted on right away. Nevertheless, the fact that they were made at all should cause everyone involved in the process of municipal reorganization to think again about the future of two-tier systems.

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<sup>51</sup>The most recent full-scale analysis of Hamilton-Wentworth is Ontario, Report of the Hamilton-Wentworth Review Commission (May 1978).

<sup>52</sup> For recent background on Ottawa-Carleton, see Ontario, Ministry of Municipal Affairs, Ottawa-Carleton Regional Review, Accountability and Representation and Functions and Finances (Toronto: Queen's Printer for Ontario, 1987 and 1988).

<sup>53</sup>Ontario, Niagara Region Review Commission, Report, p. 270.

<sup>54</sup>Ontario, Ministry of Municipal Affairs, Haldimand-Norfolk Regional Review, A Reappraisal of the Regional Government Structure (December 1989).

### Incorporations and Amalgamations

This section is concerned with the establishment of new single-tier municipalities, either through incorporation or amalgamation. Since 1975, the most notable examples of new municipal incorporations are Bedford, Nova Scotia and Banff, Alberta. Bedford was carved out of Halifax County in 1980 to provide a focal point for urban development at the head of the Bedford Basin, which separates Halifax from Dartmouth.<sup>55</sup> With a population of 8,000, it now forms an important and growing municipal unit in the Halifax metropolitan area.

The incorporation of the Town of Banff, Alberta on January 1, 1990 arose in quite different circumstances. As the main urban settlement in Canada's most famous national park, Banff is subject to intense pressures both from developers and conservationists. The plan for incorporation, approved by town residents in 1988 in a plebiscite, required approval from both provincial and federal authorities.<sup>56</sup> The results of the Banff incorporation will be watched closely by all concerned with the problem of preserving Canada's areas of greatest natural beauty while facilitating access for both tourists and naturalists.

New incorporations add to the total number of municipalities. Amalgamations reduce the total number. In general, ministries of

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<sup>55</sup>David Cameron and Peter Aucoin, "Halifax," in Warren Magnusson and Andrew Sancton, eds., City Politics in Canada (Toronto: University of Toronto Press, 1983), p. 184.

<sup>56</sup>The Government of Canada and the Government of Alberta, "Town of Banff Incorporation Agreement," dated December 12, 1989.

municipal affairs have been much more supportive of the latter. The classic cases of major municipal amalgamations in Canada have been Laval, Quebec (population of 284,000), which was created in 1965 from fourteen separate municipalities on Ile-Jésus just north of Montreal,<sup>57</sup> and Thunder Bay, Ontario (population 115,000), which resulted from the merger of Fort William and Port Arthur in 1970.<sup>58</sup>

Until it began establishing MRCs in the early 1980s, Quebec seemed more committed than any other province to the policy of municipal amalgamation.<sup>59</sup> Although the results of the policy did not measure up to proclaimed objectives, there are at least five significant municipalities in Quebec outside the urban and regional communities which have resulted from recent amalgamations of one kind or another. They are: Longueuil, Gaspé, Becancour, Mirabel, and Baie-Comeau/Hauterive.

Newfoundland is currently engaged in a municipal amalgamation program aimed at reducing its total number of 310 municipalities by about seventy. In support of its program, the government presents all the classic arguments favouring consolidation: improved planning capabilities, elimination of duplication, reduction in wasteful competition for economic development, larger

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<sup>57</sup>Jean Meynaud and Jacques Leveillé, La régionalisation municipale au Québec (Montreal: Nouvelle frontière, 1973), pp. 202-5.

<sup>58</sup>Geoffrey R. Weller, "The Politics and Administration of Amalgamation: The Case of Thunder Bay,," paper presented at the annual meeting of the Canadian Political Science Association, University of Ottawa, 1982.

<sup>59</sup>Meynaud and Leveillé, Régionalisation.

local tax bases, increased likelihood that municipal councils will comprise members willing and able to serve.<sup>60</sup> Since 112 of Newfoundland's municipalities have fewer than 500 residents, the government's position may well be justified.

An interesting and typical example of a municipal amalgamation was enacted by Alberta in 1978. Provincial studies<sup>61</sup> pointed out that four different municipalities and one improvement district housed about 7,300 people along a picturesque ten-mile stretch of Highway #3 leading into the Crowsnest Pass. The studies cited all the normal reasons for amalgamation, including those currently being advanced in Newfoundland.

Writing in 1985, Jack Masson described subsequent developments in the Municipality of Crowsnest Pass in these words:

Many residents in the Crowsnest Pass area were sold on amalgamation when they were told that it would bring higher levels of service with little added cost. Once amalgamation was carried out, the province provided one-time grants to help offset imbalances among the amalgamated communities. However, these funds were quickly spent and the new administration embarked on an ambitious program of road paving and curbing and gutter installation. In 1982 the cost of this program, added to the \$200,000 needed for facilities for the 1984 Alberta Winter Games (held in the Crowsnest Pass area), resulted in a property tax increase of 17 percent for homeowners and 10 percent for business. The Crowsnest Pass Ratepayer's [sic] Association came into being in response to the probability of another substantial tax increase in 1983. The new organization, almost 600 strong, first sought a referendum on abolishing the amalgamated municipality but, finding that could not be

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<sup>60</sup>Newfoundland and Labrador, Department of Municipal and Provincial Affairs, Municipal Consolidation Program, July 11, 1989,

<sup>61</sup>Alberta, Department of Municipal Affairs, Special Projects and Policy Research, Crowsnest Pass Amalgamation Study (December 1977).

done, focused on downgrading service levels and freezing funding.

Crowsnest Pass is a classic case showing the result of bringing together a number of communities whose residents have different expectations of services and taxes, and imposing a single tax and service standard. Moreover, having become a much larger municipality, it has seen the emergence of a professional municipal bureaucracy that favours higher levels of professional administration,...[which involves] spending funds on professional meetings, conventions and travel. There is little likelihood that the disagreement between those favouring a more expensive, professionalized administration and those favouring lower levels and a more accountable, grass-roots administration will be resolved in the near future.<sup>62</sup>

Masson goes on to point out that in Alberta "many more annexations and amalgamation proposals have been successfully implemented with minimal controversy than have resulted in failures and continuing conflict."<sup>63</sup> He suggests, however, that successful boundary adjustment has come about either when only vacant land (i.e. few residents) is involved or when the affected municipalities have arrived at a genuine and mutually acceptable accommodation with each other. Neither of these conditions seemed to apply in Crowsnest Pass.

### Special-Purpose Bodies and Intermunicipal Agreements

For advocates of comprehensive local-government reorganization, the creation of special-purpose bodies and intermunicipal agreements is not really reorganization at all. At best, such approaches are second-best solutions; at worst they lead

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<sup>62</sup>Masson, Alberta's Local Governments, p. 73.

<sup>63</sup>Ibid., p. 74.



to an impenetrable jungle of ad hoc commissions and complex arrangements that even the most conscientious municipal voter will never understand. Whatever their faults, they do constitute a response to the organizational and political difficulties caused by the outward expansion of urban area. In the face of decreasing political support for provincially-sponsored comprehensive reorganizations, in many provinces they will be the only available options.

In conventional accounts of Canadian municipal reorganization, special-purpose bodies and intermunicipal agreements are seen as part of the problem rather than as part of the solution. For example, in the recent Ontario policy statement on county government, one of the stated problems in traditional counties is "a proliferation of...intermunicipal agreements between counties and neighbouring separated municipalities."<sup>64</sup> Such agreements, from this point of view, are an indication that existing structures are not adequate, otherwise the agreement would not have been necessary. But in this factious and disputatious world, should we not rejoice in agreement between organizations, rather than bemoan the need for it in the first place? A similar argument can be made about special-purpose bodies, at least those which exist to provide some municipal service beyond the boundaries of a single municipality. Special-purpose bodies might not be neat and tidy, but they often get the job done. They might complicate

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<sup>64</sup>Ontario, Ideal County, minister's introduction.

comprehensive planning, but who believes that planning for the delivery of local public services in a democratic society can ever be simple, even assuming the existence of one multi-functional government for all conceivable services?

In the everyday world of Canadian municipal government, especially in the rural areas of the smaller provinces, intermunicipal problems are not solved by establishing new tiers of government or by drastically altering municipal boundaries. Instead, the provincial government provides for the establishment of various kinds of intermunicipal commissions or agreements which can be adaptable to local circumstances. Given the vast array of such phenomena, it is impossible to describe them all in this paper. However, a brief attempt will be made at least to mention some of the more notable recent initiatives.

The Metropolitan Authority in Halifax is something less than a multi-functional top-tier metropolitan government. After experiencing many incremental changes over the years, it now operates a regional transit system and a sanitary land-fill operation. Cameron and Aucoin stated in 1985 that the Authority "remains a regional special-purpose body, but it provides a handy mechanism through which specific services might, one day, be shifted to a regional level."<sup>65</sup>

In 1981 the Alberta legislature approved the Regional Municipal Services Act. In many respects the legislation is

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<sup>65</sup>Cameron and Aucoin, "Halifax," p. 185.

modelled on British Columbia's for regional districts,<sup>66</sup> except that the various regional service commissions were to be established incrementally over time rather than for the whole province at once. Their main tasks are to facilitate water supply, sewerage, and waste management but, like the Metropolitan Authority in Halifax, there is potential for functional expansion. After a slow start, thirteen such commissions are now in operation.

In New Brunswick, a bewildering array of boards and commissions have been established to deliver such regional services as police protection, solid waste collection and disposal, ambulances, and libraries. What makes the New Brunswick situation unique is that, because incorporated municipalities generally cover only the more urbanized portions of a given region, representation on the boards and commissions must, of necessity, include both municipal and non-municipal representatives. Pressure is obviously mounting for some kind of structural rationalization.<sup>67</sup> Unincorporated areas are also common in Prince Edward Island. They now have the option of establishing fire districts in order to finance local volunteer fire departments.<sup>68</sup>

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<sup>66</sup>Masson, Alberta's Local Governments, p. 126.

<sup>67</sup>C.R. Tindal and S. Nobes Tindal, Local Government in Canada, Third ed. (Toronto: McGraw-Hill Ryerson, 1990), p.101.

<sup>68</sup>Prince Edward Island, Department of Community and Cultural Affairs, Fire Districts: A New Option for the Collection of Fire Dues in Rural Unincorporated Areas (pamphlet, n.d.).

Since 1975, Ontario (1983) and Prince Edward Island (1988) have disbanded intermunicipal planning authorities<sup>69</sup> and Manitoba (1977) has introduced them.<sup>70</sup> Alberta has had such commissions in one form or another since 1950.<sup>71</sup> British Columbia's regional districts were once engaged in regional planning but, as we have seen, they lost this function in 1983. Many of the recently created MRCs in Quebec are little more than glorified regional planning authorities. If there is a pattern in all this, it is not readily apparent.

Intermunicipal agreements and reorganized municipal structures are not incompatible. In fact, the regional districts in British Columbia and the MRCs in Quebec are specifically designed so that they can serve as catalysts, mediators, and managers in relation to intermunicipal agreements within their territories. In both provinces the provincial legislation is such that the composition of the councils of the regional bodies can vary depending on the

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<sup>69</sup>In Ontario, a new Planning Act approved in 1983 disbanded existing joint planning areas (except in Northern Ontario) and made them voluntary (Ontario, Ministry of Municipal Affairs and Housing, The Planning Act: Information Bulletin 1 [January 1983], p.23). In Prince Edward Island, regional planning boards for Charlottetown and Summerside were disbanded in 1988 because 'The Province felt it was more effective to promote and address inter-municipal concerns on an issue-by-issue basis dealing directly with the affected municipalities (letter from George Likely, Chief Director of Community Services, Department of Community and Cultural Affairs, Government of Prince Edward Island, dated April 12, 1990.)

<sup>70</sup>Letter from F.R. Dennis, Director of Municipal Advisory and Financial Services, Department of Rural Development, Government of Manitoba, dated March 30, 1990.

<sup>71</sup>Masson, Alberta's Local Governments, p.262.

issue under consideration. If a particular municipality has chosen not to be involved in a particular regional function, its representatives on the regional body do not participate. Even if the regional body does not provide the service, it can provide a forum in which the intermunicipal negotiations are carried out and the region itself can be a party to any ensuing agreement.

Only in Ontario is there any hint that such agreements might be looked on with any degree of disfavour. In one sense, this is surprising because, as recently as 1983, the Deputy Minister of Municipal Affairs stated that :

Joint administration or financing of a municipal service is an imaginative and challenging way to eliminate waste, avoid duplication and improve the quality of public service.

Sharing among municipal governments is hardly a modern management technique. Ontario's municipal sector has a long tradition of approaching common problems and needs with joint solutions.

A fresh look at intermunicipal agreements is timely, now that all governments are seeking wise and efficient ways to manage scarce and declining resources.<sup>72</sup>

These words were written to introduce a useful Ontario government publication called Joint Services in Municipalities: Five Case Studies. Three of the cases discuss successful joint services arrangements involving a city and its surrounding county and/or lower-tier municipalities (City of Peterborough and Peterborough and Victoria counties for purchasing; City of Windsor

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<sup>72</sup>Letter from Ward Cornell, Deputy Minister of Municipal Affairs and Housing, Government of Ontario, dated May 1983, accompanying general mailing of Ontario, Ministry of Municipal Affairs and Housing, Joint Services in Municipalities: Five Case Studies (April 1983).

and Essex County for shared use of a convention and recreation facility owned by the local university; and the City of Pembroke and two neighbouring townships for sharing a recreation facility). A fourth case examines how three small northern Ontario townships are able to provide themselves with competent staffing by employing a common secretary-treasurer. Seven years later, now that county restructuring is a ministry priority, Ontario municipalities are told that the existence of such agreements is reason for restructuring. Not surprisingly perhaps, the Ontario government does not now appear to be publishing case studies of successful joint-servicing arrangements.

Quebec (1979) and Saskatchewan (1984) have both established quite elaborate legislative provisions governing intermunicipal agreements. In Quebec's case, sixteen pages of the Cities and Towns Act is now devoted to this one subject. Three types of agreements are authorized: 1) for a municipality to purchase a service from another; 2) for one municipality to delegate its authority to another in order to pursue a defined objective; and 3) for the establishment of intermunicipal corporations to deliver particular services agreed to by the participating municipalities (such corporations may or may not involve the local MRC).<sup>73</sup> As in Quebec, the Saskatchewan legislation also specifically authorizes municipalities to establish special boards to implement

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<sup>73</sup>Quebec, Ministère des affaires municipales, Direction de la recherche et des politiques, 'Les ententes intermunicipales au Québec,' April 27, 1989.

intermunicipal agreements and dozens have done so.<sup>74</sup>

### Conclusion

The days of large-scale centrally imposed municipal reorganization are clearly over. New regional governments, urban communities, or 'unicities' are not on the horizon. Reorganization policies in the province now generally involve tinkering with existing structures, building local consensus before legislating, and ensuring that new arrangements can flexibly adapt to changing circumstances.

There is one important structural issue, however, on which provincial policies seem to differ. Since 1988, Ontario has been drifting away from an apparent Canadian consensus that, although two-tier urban government might be necessary in certain circumstances, the top tier should not be strengthened at the expense of single-tier or lower-tier urban municipal governments. Between 1975 and 1988 in Ontario and since 1975 in all the other provinces, no such policies have been actively pursued and implemented. The only possible exception to this statement is the establishment in Quebec in the early 1980s of the MRCs, to which cities in Quebec outside the Montreal, Quebec City, and Outaouais areas ceded some authority over land-use planning.

Ontario has pursued a different course since 1988 by moving toward direct election of regional councillors serving only at the

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<sup>74</sup>Letter from D.M. Innes, Deputy Minister of Urban Affairs, Government of Saskatchewan, dated March 26, 1990.

regional level (implemented in Metropolitan Toronto, announced for Ottawa-Carleton), direct election of regional chairs (implemented in Hamilton-Wentworth) and by encouraging existing single-tier municipalities in southern Ontario to become part of two-tier restructured counties (effective for Sarnia, January 1, 1991).

In no sense are these policies new or innovative. The main justification for direct election seems to be that in order to have more political legitimacy, and hence independence in relation to the lower tier, regional governments need to be elected. This is exactly the same kind of reasoning that lay behind the invention of modern federalism by the American constitutional fathers in the late eighteenth century: to have any real authority in relation to the states, the Congress (the House of Representatives at least) needs to be directly elected in the same way state legislatures are. Certain central questions about this line of reasoning have not properly been addressed in Ontario. Is there really a need in any part of the province for four levels of elected politicians? If so, how can jurisdictional disputes be prevented or at least reduced? Will top-tier direct elections held every three years at the same time as other municipal and school-board elections really lead to increased citizen awareness of metropolitan and regional government? Is direct election the only effective mechanism for local political accountability?

Concerning county restructuring, could it not be the case that Ontario might benefit from thoroughly exploring the more flexible and adaptable structural arrangements that have been worked out in



Quebec, British Columbia, Alberta, and Nova Scotia? After all, the parts of southern Ontario still encompassed by traditional counties bear much more resemblance to the urban areas of these less populous provinces than they do to the almost continuous urban sprawl of the Golden Horseshoe, which two decades ago, experienced its own version of county restructuring when regional governments were originally established.

Adapting municipal boundaries and functions to outward growth or urban settlement must always be a major concern when establishing effective systems of municipal government. Unlike their American counterparts, Canadian provincial governments face few constraints if they are firmly committed to municipal reorganization. For example, they need not seek local approval of their plans. In Canada, not a single reorganization plan has been submitted to a local referendum. In the United States such a procedure is generally a state constitutional requirement. The result there is that few proposed reorganizations have been approved. In many cases, residents of exclusive suburban municipalities have voted to protect their low tax rates and/or high levels of service by refusing to participate in schemes aimed at finding solutions to the overwhelming problems of American metropolitan areas, particularly in the northeast. Few in Canada would defend such a system. Most would want the provincial legislature to retain ultimate authority to prevent the emergence of substantial municipal inequities within the same metropolitan area. Reorganizations in New Brunswick in the 1960s, Montreal in

1969, and Winnipeg in 1971 have been defended on precisely these grounds.

Rather than being about metropolitan and regional redistributive issues, many Canadian reorganizations have had more to do with attempting to meet the alleged needs of provincial and local public servants, particularly land-use planners. Here, the arguments supporting provincial imposition of municipal reorganization are less compelling. Indeed, without political fanfare, Canadian provincial authorities seem recently to have themselves accepted such a conclusion. Even in Ontario - currently the most interventionist province in these matters - there is much emphasis on mobilizing local support before disrupting longstanding arrangements for county government.

The range of structural responses by the various provinces to problems involved in delivering local services has been remarkably diverse. The challenge now is not to invent still more structural alternatives but to determine which ones have generally accomplished their proclaimed objectives and which have not. Then we must be able to explain the reasons behind the successes and failures. Without such explanations, we have no way of anticipating the conditions under which particular structural arrangements might successfully be transplanted.

Inventive thinking is now required to work out ways of ensuring that municipal governments, especially in our cities, have sufficient authority and resources to meet the changing needs of the people who live within their boundaries. Balancing the

advantages of local self-determination against pressures for central controls and standardization is no easy task. But if we wish our municipalities to have any significant role in making major decisions affecting urban life, we must at least ensure that structural reform - however well-intentioned - does not undermine its political strength. Unfortunately, establishing within the same urban area two sets of municipal bureaucracies, or two political structures with equal claims to electoral legitimacy, leads in just such a direction.

At the core of local government in Canada are the democratically elected councils of our cities, towns, villages, and rural municipalities. The primary aim of structural reform must be to assist them in providing for the collective interests of their electors. Such reform will often be concerned with improving the fit between boundary and function. Perfection, however, will never be achieved. If we are no longer arguing about boundaries and functions for our municipalities, we shall know that their functional effectiveness is nil and that their boundaries are hence irrelevant.

For those who support local democracy, there comes a point when structural imperfections must simply be accepted and local people left to run the system as best they can. Recognizing that point is the greatest challenge for both students and advocates of municipal reorganization.